



Impending Obamacare Regulation to Take Aim at Craft Beer

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Amidst the more than 20,000 plus pages of Obamacare lies a regulation that may squeeze craft beer brewers out of business. Why would they ever want to manipulate a thriving industry? Well, regulators claim that Americans consumers are not healthy because they are blissfully unaware of the amount of calories in beer.

As of December 2016, all brewers must include a detailed calorie count on every type of beer they produce. Failure to comply with the new regulations means craft brewers will not be able to sell their beer in any restaurant chain with over 20 locations. Because this is a major market for selling beer, it hamstrings smaller craft brewers if they do not comply.

The Cato Institute estimates the Obamacare calorie labeling requirements will cost a business as much as \$77,000 to implement. For larger beer companies, this is a drop in the bucket, but for small, local craft brewers it represents a significant cost that they must pay. As a result, it creates a significant disadvantage compared to larger beer companies who can better absorb the cost of this new regulation.

According to Bart Watson, chief economist of the brewers association “Most of the new [craft beer] entrants continue to be small and local, operating in neighborhoods or towns. What it means to be a brewery is shifting, back toward an era when breweries were largely local, and operated as a neighborhood bar or restaurant.” The increasingly small size of craft breweries means they are faced with a tough decision in light of the impending regulations: cut costs and possibly lay off workers to pay for the calorie labels, or be shut out of one of the most profitable markets for their product. Either way, it is a lose – lose situation for the craft beer brewers and drinkers, an industry that grew 27.8 percent from 2013 to 2014 when it was left alone.

The calorie labeling regulation is just another example of the excessive and wasteful burdens put forth by Obamacare under the guise of protecting our health. A recent study performed by

Arizona State University showed that only 16 percent of people even read the calorie information when restaurants willingly provide it.

The fact is, the government has no business telling consumers what they should and should not do. By imposing this new regulation, the Obama administration is threatening the vitality of the thriving craft beer industry.